



PROSPERITY BANK[®]

TREASURY MANAGEMENT SERVICES

LOCKBOX SERVICE TERMS

These Lockbox Service Terms (the “**Lockbox Terms**” or “**Terms**”) set forth the terms and conditions under which Prosperity will process payments directed to a Lockbox for deposit to Customer’s Account (the “**Lockbox Services**” or the “**Services**”). The Services are subject to the Treasury Management Services Master Agreement (the “**Master Agreement**”) between Prosperity and Customer, which, along with all other agreements incorporated into the Master Agreement, are incorporated herein by reference (the Master Agreement together with these Lockbox Terms are referred to herein as the “**Agreement**”) and all Applicable Laws. Unless otherwise noted, capitalized terms herein will have the same meaning as in the Master Agreement.

1. IMPLEMENTATION PROCESS. Customer will designate the Account(s) for the Lockbox Services in the Documentation as directed by Prosperity. The Account(s) designated by Customer for use in connection with the Lockbox Services, as Customer may change them from time to time, are the “**Authorized Account(s)**.” As part of the implementation process, Prosperity will provide information necessary for Customer to utilize one or more of Prosperity’s post office boxes (each, a “**Lockbox**”) as the parties determine is necessary in order to process Customer’s expected volume of payments.

2. AUTHORIZATION FOR LOCKBOX SERVICES. Customer authorizes Prosperity and its Service Provider to act as Customer’s agent with exclusive and unrestricted access to the Lockbox for the purpose of collecting and processing all payments and other materials contained in the Lockbox (collectively, “**Mail**”), to make deposits to the Authorized Account(s), and to act on behalf of Customer to provide the Services in accordance with these Lockbox Terms and the applicable Documentation. In these Lockbox Terms, the term “Prosperity” may be used to refer to both Prosperity and its Service Provider when used in relation to the receipt and processing of Mail in the Lockbox and otherwise providing the Services as described herein.

3. CUSTOMER’S DUTIES. Customer agrees to instruct any person or entity sending payments to the Lockbox (each, a “**Payor**”) that they should only remit payment by check, money order, or cashier’s check (“**Eligible Items**”), and not to send cash or any other materials or correspondence to the Lockbox. Customer is responsible for ensuring that its Payors send payments to the correct Lockbox address.

4. LOCKBOX SERVICES; PROCESSING.

(a) Mail Retrieval, Receipt. Prosperity will use commercially reasonable efforts to remove all Mail from the Lockbox on each Business Day in accordance with its then-current mail collection schedule, as it may be updated from time to time. Mail will not be deemed to have been received by Prosperity until the Business Day it has been picked up from the designated mail facility and made available to Prosperity for processing, or, as applicable, delivered to Prosperity at the address Prosperity specifies. If the Mail is made available to Prosperity for processing after the applicable cut-off time on a Business Day or on a non-Business Day, then such Mail will be deemed to have been received and made available for processing on the next Business Day.

(b) Acceptable Payees. Payments sent to the Lockbox must be payable to Customer or to a payee whose name Customer has provided to Bank or as Customer has otherwise instructed in the Documentation (including reasonable variations in any such payee name, an “**Acceptable Payee**”). Customer represents and warrants to Prosperity that Customer is duly authorized to receive all payments payable to each Acceptable Payee and to deposit or process the payments into the Authorized Account. Items received in the Lockbox which are not payable to an Acceptable Payee may not be processed.

(c) Eligible Items. Customer authorizes Prosperity to deposit all Eligible Items received in the Lockbox into the Authorized Account. Prosperity may refuse to accept any Mail that is not an Eligible Item or that Prosperity otherwise determines cannot be processed through the Services, such as remittance materials, correspondence and packages (“**Ineligible Items**”), which may be returned to Customer without further processing or as otherwise indicated in the Documentation. Prosperity shall have no liability for any Ineligible Items received in the Lockbox or for any Losses incurred due to returning such items to Customer or handling them in accordance with the Documentation. Customer shall pay (or promptly reimburse Prosperity for) all charges, fees, and costs associated with the processing of any Ineligible Items.

(d) Check Processing. Customer understands that, unless otherwise agreed by Prosperity in the Documentation, Prosperity processes checks using automated processing equipment and will not manually inspect checks received in the Lockbox. This means that post-dated, stale-dated, undated and unsigned checks can be processed through the Lockbox Services and deposited in the Authorized Account. Customer agrees that Prosperity will not be liable for processing checks received in the Lockbox that are not properly payable to Customer or are missing signatures or endorsements or contain restrictive endorsements. Checks that cannot be processed using Prosperity’s standard procedures will be returned to Customer without further processing unless otherwise indicated in the Documentation. Customer irrevocably makes, constitutes and appoints Prosperity as Customer’s true and lawful attorney-in-fact to endorse Customer’s name on any checks received with the Lockbox endorsement used by Prosperity.

(e) Foreign Checks. Checks received in the Lockbox that are drawn on a foreign bank and/or payable in a foreign currency (non-U.S. Dollars) will be returned to Customer without processing, except that checks drawn on a Canadian bank and/or payable in Canadian dollars (CAD) (“**Canadian Items**”) may be accepted for deposit on a collection basis in accordance with the terms of the Account Rules. Exchange rate adjustments, if any, will be

made after the Canadian Item is collected and the actual credit for such deposit will be at the exchange rate in effect upon final collection in U.S. dollars. Customer shall pay (or promptly reimburse Prosperity for) all charges, fees, and costs associated with the processing of any Canadian Items. Prosperity shall not be liable for any delays that may arise in connection with such processing.

(f) Cash Handling. Prosperity assumes no liability for cash sent through the mail and may process cash received in the Lockbox in accordance with its internal procedures for handling cash payments. Customer agrees that Prosperity's count of cash received in the Lockbox is conclusive and final and Prosperity will not be liable for any shortage or discrepancy for any reason, whether discovered upon initial processing or thereafter.

(g) Funds Availability. Prosperity will make funds available from payments received in the Lockbox in accordance with its standard funds availability policy disclosure unless Prosperity has provided Customer a separate funds availability schedule for the Lockbox Services in the Documentation or otherwise.

(h) Reporting. If available and elected by Customer, Customer may receive electronic reporting related to the Services including check images ("**Reports**"). Reports will be made available at such frequency as agreed by the parties and may be accessed by Customer through the Internet Banking Services or other online channel as indicated in the Documentation. Any request by Customer for Reports that require customization is subject to approval by Prosperity and may take additional time and may be subject to additional fees or expenses.

(i) Health Insurance Portability and Accountability Act ("**HIPAA**"). Customer is solely responsible for notifying Prosperity if Customer's use of the Lockbox Services may subject Prosperity or its Service Provider to the privacy and security requirements of HIPAA, and in such event Customer shall not use the Lockbox Services until the parties have entered into a business associate agreement in a form reasonably acceptable to Prosperity. Customer agrees to provide any information or documentation requested by Prosperity in connection with Customer's intended use of the Lockbox Services or to assess whether HIPAA requirements may apply. Customer acknowledges that its breach of this provision will also be a breach of the representations and warranties under the Master Agreement.